

**DRAFT**  
**CITY OF CORVALLIS**  
**SUSTAINABLE BUDGET TASK FORCE ACTION MINUTES**  
**September 28, 2016**

The City of Corvallis Sustainable Budget Task Force meeting was called to order at 8:06 AM, September 28, 2016, in the City Manager's Meeting Room, Corvallis, Oregon, with Chair Hal Brauner presiding.

**ROLL CALL:**

Members Present: Hal Brauner, Barbara Bull (8:10), Karyle Butcher, Joel Hirsch (8:25), Mark O'Brien, Curtis Wright

Staff Present: Nancy Brewer, Mark Shepard, Patrick Rollens, Mary Steckel

Others: Bill Glassmire, Mark Page, Jim Day

**SUMMARY OF DISCUSSION:**

Agenda Item	Actions/Recommendations
Approve minutes from August 24 and September 14, 2016	Minutes were approved unanimously.

Agenda Item	Actions/Recommendations
Finish Discussion on the Strategic Plan Framework	<p>The SBTF briefly discussed the Strategic Plan Framework which had been reviewed at the September 14 meeting. The members present agreed that the Council needs to identify at least one mid-point between \$4 million and \$13 million as a potential funding target.</p> <p><b>Karyle Butcher moved, and Curtis Wright seconded a motion to approve the framework and proposed timeline. The motion passed unanimously.</b></p>

Agenda Item	Actions/Recommendations
Recommendations to Council on transportation and utility funding for infrastructure	<p>Members of the SBTF discussed whether the primary approach to funding utility (water, wastewater, and storm water) infrastructure replacement should be by using bonds or a pay-as-you-go approach. Bond funding provides significant resources for large projects, but with interest, costs over time end up being considerably higher. Consensus among SBTF members was to recommend Council use a pay-as-you-go approach unless there is a significant single project, such as a major plant upgrade or replacement where bonds would be the best way to fund the project on the desired timeline. Members also discussed staff's recommendations on Council's Financial Policies as they relate to the three utilities. The SBTF did not have a recommendation on the policy.</p>

Agenda Item	Actions/Recommendations
	<p>The SBTF discussed funding for street infrastructure. The City currently uses state highway taxes, with a small increment from the local Transportation Maintenance fee (TMF). Chair Brauner stated he looked back at information from the November 8, 2015 SBTF meeting where staff had shared the single family rates for TMF fees charged by other communities. Corvallis has the lowest rate at 71¢ per month; Medford has the highest rate at \$8.46. The second lowest rates are in Philomath and Stayton at \$2.00 per month. The mean rate is \$4.64 and the mode is \$5 per month. He stated there was room to increase the TMF and begin to address the infrastructure maintenance needs of the community and not exceed averages or comparable community rates.</p> <p>Ms. Butcher stated there is a significant need for street maintenance and she thought there would be support for the increase, especially if legacy roads would be maintained.</p> <p>Members discussed timing for a TMF rate increase and whether initiating the increase before or after pursuing a new revenue source for General Fund services was a better approach. In general, the consensus was that the issues that each funding source addresses are different, and the need for street infrastructure funding was so significant the Council should consider moving forward with a phased increase in the TMF.</p> <p>The SBTF members also discussed how to get information out about the rate increases. Mr. Rollens explained the communication strategy for a newsletter is focused on the General Fund; other communication mechanisms can be used for a TMF rate increase.</p> <p><b>Mr. Wright moved and Ms. Butcher seconded to recommend the City Council implement increases in the Transportation Maintenance Fee to get to a revenue of \$3 million annually. The motion passed unanimously.</b></p>

Agenda Item	Actions/Recommendations
Preliminary discussion of Survey	<p>Mr. Rollens stated the proposal from the research firm is to look at a mail survey to 1,200 people, with most questions focused on the revenue alternatives. Member Wright said he thought there would need to be some level of service information – what people would get for \$4 million, \$13 million, and something in between. Ms. Bull said she thought a discussion focused on gold/silver/or bronze levels of service could be a way to discuss services. She also asked if this scientific survey would be a chance to ask people about other matters, such as their opinion on the Vision. Other members said they thought it would be better to keep the survey focused on the money issues.</p> <p>Mr. Rollens stated he could bring a draft of the survey to an early December meeting.</p> <p>Ms. Bull asked if the option of a property tax levy is still being considered. Members asked for data on whether a local option levy could be structured to raise \$13 million annually. Ms. Brewer replied this information would be developed for a future meeting.</p>

Agenda Item	Actions/Recommendations
Other Business	The SBTF agreed to cancel its planned October 12 meeting.

Agenda Item	Actions/Recommendations
Community Comments	Bill Glassmire stated he supported doing a statistically valid survey that is developed with neutral questions. However, he also stated that he hears there is considerable dissatisfaction in the community with the lack of public outreach from the City.

The Task Force adjourned at 9:28 AM.

An audio recording of the entire meeting can be listened to at:

<https://archives.corvallisoregon.gov/internal/Browse.aspx?startid=597112&dbid=0>